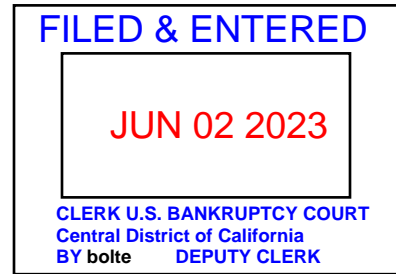


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7 UNITED STATES BANKRUPTCY COURT

8 CENTRAL DISTRICT OF CALIFORNIA – SANTA ANA DIVISION

9
10 In re

11 NORTHERN HOLDING, LLC,

12 Debtor.

Case No. 8:20-bk-13014-SC

Chapter 7

ORDER APPROVING STIPULATION
BETWEEN CHAPTER 7 TRUSTEE AND
AGWEST FARM CREDIT, FCLA RE:
RESOLUTION OF CREDITOR'S OBJECTION
TO CONTEMPT STIPULATION

Continued Hearing on OSC:

Date: June 14, 2023

Time: 11:00 a.m.

Ctrm: 5C – Via ZoomGov

Address: 411 W. Fourth Street, Santa Ana, CA
92701

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20 On May 11, 2023, the Court conducted an in-person evidentiary hearing on the matter of the
21 Order to Show Cause entered on October 26, 2022, as Docket No. 359 ("OSC"). Tinho Mang of
22 Marshack Hays LLP appeared on behalf of the Chapter 7 Trustee and moving party, Richard A.
23 Marshack ("Trustee"), who was also present. Respondent Leroy E. Coddington, IV ("Respondent")
24 appeared in pro per. Respondent presented an oral motion for an emergency continuance of the
25 hearing, which was denied. The Court heard opening statements of the parties and witnesses were
26 called and examined by Trustee. At the conclusion of the day's proceedings, the Court indicated that
27 it was inclined to continue the matter for further testimonial evidence. Prior to the hearing being
28 adjourned, Trustee and Respondent stated terms in principle for an agreement to resolve the OSC.

1 The hearing was continued to June 15, 2023, at 11:00 a.m.

2 The Court has reviewed the stipulation ("Stipulation") entered into between Richard A.
3 Marshack, in his capacity as Chapter 7 Trustee of the bankruptcy estate ("Estate") of Northern
4 Holding, LLC ("Debtor"), and Leroy Emerson Coddington, IV ("Coddington"), an individual in his
5 individual capacity and in his capacity as the managing member of Fluid Wine Fund I, LLC, a
6 Nevada limited liability company and as chief executive officer of Rabbit Ridge Wine Sales, Inc., on
7 the other hand, filed on May 12, 2023, as Docket No. 394.

8 The Court has also reviewed the *Stipulation Between Chapter 7 Trustee And Agwest Farm*
9 *Credit, FCLA Re: Resolution Of Creditor's Objection To Contempt Stipulation* (Docket No. 405)
10 ("FCW Stipulation" and together with the Stipulation, the "Stipulations").

11 Good cause appearing, the Court enters its order as follows:

12 IT IS ORDERED:

13 1. The Stipulations are APPROVED and incorporated herein, except for paragraph 7 of
14 the Stipulation (Docket No. 394), which is hereby STRICKEN in its entirety and not incorporated
15 into this order or approved.

16 2. The Court hereby retains jurisdiction to interpret and enforce the Stipulations and this
17 Order approving them.

18 3. Leroy E. Coddington, IV, Fluid Wine Fund I, LLC ("FWF"), and Rabbit Ridge Wine
19 Sales, Inc. ("Rabbit Ridge") have joint and several liability for payment of \$140,000 to the
20 Bankruptcy Estate of Northern Holding, LLC.

21 4. Coddington shall have no claim of any kind against the Estate, the Trustee, and/or
22 Trustee's professionals and agents.

23 5. FWF shall have no claim of any kind against the Estate, the Trustee, and/or Trustee's
24 professionals and agents.

25 6. Rabbit Ridge shall have no claim of any kind against the Estate, the Trustee, and/or
26 Trustee's professionals and agents.

27 7. By May 17, 2023, at 11:59 p.m. Pacific Prevailing Time, Coddington shall provide to
28 Trustee a full and complete list of any and all vendors, contractors, and invoices which have not

1 been paid in full for any work solely for maintaining and harvesting grapes from the Properties from
2 August 1, 2021 through November 1, 2021 (“Operating Period”), and shall provide contact
3 information for each vendor, contractor, and invoice, and a copy of such invoice. If vendors,
4 contractors, or invoices are included which DO NOT arise from farming operations for the
5 Operating Period (but are instead for, e.g., wine processing, marketing, or handling of non-Estate
6 property), this may serve as the basis for a separate contempt proceeding. If Coddington has not
7 provided a list of vendors, contractors, and invoices, the Court shall enter an order adjudicating
8 Coddington in civil contempt and consider the imposition of appropriate compensatory and coercive
9 sanctions, including the award of compensatory damages including reasonable attorneys’ fees, or
10 civil incarceration to coerce Coddington to comply with the Court’s orders.

11 8. If \$100,000 is received by the Estate on behalf of Coddington, FWF, or Rabbit Ridge by
12 11:59 p.m. Pacific Prevailing Time on June 1, 2023, either in the form of certified funds or verified
13 funds, the remaining balance owed to the Estate shall be waived.

14 9. If \$140,000 is not received by the Estate by 11:59 p.m. Pacific Prevailing Time on
15 June 14, 2023, either in the form of certified funds or verified funds, the Court shall enter an order
16 adjudicating Coddington in civil contempt and consider the imposition of appropriate compensatory and
17 coercive sanctions, including the award of compensatory damages including reasonable attorneys’
18 fees, or civil incarceration to coerce Coddington to comply with the Court’s orders.

19 10. If payment is not timely made by June 15, 2023, or if there is a material default in the
20 Stipulation, Trustee may lodge a judgment to aid in enforcement of any unpaid funds or
21 unperformed obligation owed under this Stipulation, under terms consistent with this Order.

22 11. The funds received by Trustee from Coddington shall be received and deposited by
23 Trustee, to be held pending further order of the Court.

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Scott C. Clarkson
United States Bankruptcy Judge